

To: Honorable Judge Michael B. Kaplan
US Bankruptcy Court
District of New Jersey-Trenton Vicinage

From: Peter C. Bell and Edna M. Bell
8 Harrison Pl.
Manchester Township, NJ 08759

Re: Case No.: 18-23437-MBK
Motion for Relief

Dear Judge Kaplan:

Your Honor, we adamantly feel it is discriminatory and unfair for LoanCare to file their Motion for Relief. LoanCare's questionable accounting and obvious misapplications have caused the problems with our mortgage loan. LoanCare's records are incorrect, and they continue to hold escrow funds that should have been returned since at least 2018.

As an initial matter, we made two post-petition payments of \$1,517.60 to LoanCare's predecessor, Homebridge Financial Services in August and September of 2018. (Attachment 1) Those payments do not appear on the post-petition payment history that LoanCare included in their Motion.

Since May of 2019, LoanCare has rarely sent us monthly mortgage statements that are even remotely accurate. Nearly all of the mortgage statements are confusing and state an obviously inaccurate and usually inflated total payment amount. (Attachment 2) As your Honor may note, the requested total monthly payment amount listed in the mortgage statements we received do not match the claimed monthly payment amount listed in the Certification included with LoanCare's Motion. Attached is a chart we prepared to illustrate the discrepancy between what we were being billed and what we now believe was actually owed. (Attachment 3)

In addition, we cured all pre-petition arrears in May of 2021, as the Trustee's records reflect. (Attachment 4) However, LoanCare continues to show even on their most recent statement for March 2023 that we have not paid them all of the arrears. (Attachment 2)

Furthermore, LoanCare's predecessor sent us a letter in December of 2018 stating there was an escrow surplus of \$6,011.51 that was going to be returned to us. (Attachment 5) The escrow surplus reportedly increased to \$8,908.33 in 2019. (Attachment 5) The escrow surplus has never been returned to us despite repeated requests.

On October 18, 2022, we sent LoanCare an Error Resolution Notice under 12 CFR § 1024.35 in an attempt to resolve LoanCare's accounting errors. (Attachment 6) LoanCare did not timely respond. Consequently, in December of 2022, we decided to hold any further payments to LoanCare until our account is corrected. We have continued to pay the Trustee.

On January 12, 2023, we sent a second request to LoanCare for information hoping it would help to correct LoanCare's accounting errors. (Attachment 6)

To date, LoanCare hasn't provided an adequate response to our letters. (Attachment 7). Instead, LoanCare filed their Motion for Relief.

LoanCare's statements are confusing and inaccurate. Their own accounting errors have caused them to file their Motion. We respectfully request that the Court deny LoanCare's Motion since they have not provided a complete accounting including an accounting of what happened to the our escrow surplus, which appears to have now been depleted.

Our Bankruptcy is scheduled to be completed in a few months from now. We have for approximately four and a half (4 ½) years, adhered to the US Bankruptcy Courts Instructions and paid consistently our structured payment plan. Our home is now appraised at over \$300,00.00 and the mortgage balance should be around \$107,000.00 based on an amortization table. However, LoanCare claims our mortgage balance is higher because of their misapplication of funds.

LoanCare's shoddy accounting has created a deepening financial burden on us and has caused an enormous amount of stress. We not only would ask the Court to deny LoanCare's Motion at this point, we also request the Court to eliminate our escrow account and thereby relieve LoanCare of that responsibility. The escrow account appears to be the origin of LoanCare's accounting errors.

Your Honor, we only ask for a Fair and Equitable resolution; that is why we sent LoanCare the Notice of Error letter in October of 2022.

Your Honor, in the event a resolution cannot be reached, and we have to file a discrimination lawsuit, we would ask the Court to have LoanCare held responsible for our Counsel Fees. We are writing this letter in order to avoid filing a lawsuit against LoanCare due to racial discrimination against us, an African-American couple, age discrimination and gross negligence, as well as, misapplication of surplus payments (escrow funds) owed to us since at least 2018.

Respectfully,

/s/ Peter and Edna Bell